

UtahAmerican Energy Inc.

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August 9, 1999

ACT/007/013 #7

Pam Grubaugh-Littig
DOGM
1594 West North Temple, Suite 1210
Salt Lake, Utah 84114-5801

Dear Pam:

Please find enclosed the Second Quarter report for Horse Canyon Mine ACT/007/013.

The NPDES reports have been submitted by EarthFax Engineering under separate cover. In the future all NPDES reports will be submitted by UEI (UtahAmerican Energy, Inc.) In the future please direct any questions or concerns regarding NPDES to me.

The second quarter report does not include an inspection and certification form for the Road Junction Refuse Pile. After discussions with your staff it was concluded that the Road Junction Refuse Pile did not require future quarterly inspections and certifications by a Professional Engineer. This refuse pile was constructed prior to the MSHA regulations requiring specific criteria for refuse pile construction and inspections and therefore was never assigned an MSHA identification number. Since the pile was not an MSHA refuse pile, the DOGM requirements for quarterly inspection and certifications did not apply.

UEI will continue to inspect both the Upper and Lower sediment ponds quarterly. Both sediment ponds will be inspected and certified by a Professional Engineer annually as per DOGM regulations.

Should you have any questions please feel free to give me a call.

Sincerely,

R. Jay Marshall

R. Jay Marshall P.E.

